

NATIONAL CAPITAL PLANNING COMMISSION

1325 G STREET N.W.
WASHINGTON, D.C. 20576

SECRET
60-6

April 10, 1986

TENTATIVE AGENDA ITEMS

To provide notice on agenda items and to solicit written comments prior to and oral comments at meetings of the Commission on action items, there is attached a list of agenda items tentatively scheduled for the COMMISSION MEETING AT 9:30 A.M. on MAY 1, 1986, and at subsequent meetings. To determine whether an item tentatively scheduled has been placed on the agenda for the MAY 1 meeting, please call the Commission's Office of Public Affairs, telephone 724-0174, on or after THURSDAY, APRIL 24.

Materials relating to action items tentatively scheduled for the MAY 1 meeting are available for review in the offices of the Commission from 8:00 A.M. to 5:30 P.M. on business days. If you desire to review such materials and/or communicate your views on any action item, contact Robert E. Gresham, Assistant Executive Director for Operations, telephone 724-0176.

Certain items may be acted on by the Chairman or Executive Director pursuant to delegated authority from the Commission. If you desire to communicate your views prior to such action under delegated authority or if you desire to communicate your views prior to the preparation by the Executive Director of his recommendation to the Commission on any action item, you may do so in writing. Comments should be addressed to Reginald W. Griffith, Executive Director, National Capital Planning Commission, Washington, D.C. 20576. Such written comments must be received by THURSDAY, APRIL 17.

Copies of the Executive Director's Recommendation on any action item on the agenda for the MAY 1 meeting may be obtained from the Office of Public Affairs on or after FRIDAY, APRIL 25.

Action items for which no organization or individual has advised the Office of Public Affairs by WEDNESDAY, APRIL 23, 12:00 Noon, of a desire to present views in person to the Commission and on which the Executive Director recommends approval or a favorable report, may be placed on the "Consent Calendar" and acted upon by the Commission, without presentation or discussion, at the beginning of the Commission meeting on MAY 1. Persons desiring to speak on items which will be presented to the Commission at its MAY 1 meeting (items not on the Consent Calendar) MUST SIGN UP with the Office of Public Affairs by WEDNESDAY, APRIL 30, 12:00 Noon.

Submission of written views on any item is welcomed up to the time of its consideration by the Commission. However, the Secretary to the Commission can insure that copies of written statements will be reproduced and distributed to each member of the Commission only if such statements are received by noon of the day preceding the day of the meeting.

Comments are solicited on all matters before the Commission. However, comments on non-Federal plans and projects should be limited to their effect on Federal interests in the National Capital Region.

MAY

| <u>File No.</u> | <u>Item</u> |
|----------------------------|---|
| MAY 1, 1986 MEETING | |
| <u>Action Items</u> | |
| MP10 | Washington-Dulles International Airport, Fairfax and Loudoun Counties, Virginia - Midfield Terminal Facilities Design Criteria (Commission action requested: endorsement of design criteria) |
| 2595 | Washington-Dulles International Airport, Fairfax and Loudoun Counties, Virginia - Extension of the Presidential Airways Temporary Midfield Terminal Facilities for American Airlines (Commission action requested: approval of preliminary site and building plans pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |
| 2556 | Washington-Dulles International Airport, Fairfax and Loudoun Counties, Virginia - Improvements to Route 28 to provide access to the proposed Center for Innovative Technology (CIT) (Commission action requested: approval of revised final site development plan pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |
| 2494 | Fort Belvoir, Fairfax County, Virginia - Intelligence and Security Command (INSCOM) Headquarters* (Commission action requested: approval of final site and building plans pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |
| 2605 | Fort McNair - Renovation of the Commissary, Building 35 (Commission action requested: approval of preliminary site and building plans pursuant to Section 5 of the National Capital Planning Act of 1952, as amended, and D.C. Code, 1981 edition, sec. 5-432) |
| 2600 | Henderson Hall, Arlington County, Virginia - Gymnasium (Commission action requested: approval of preliminary site and building plans pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |

*Eligible for action by the Executive Director pursuant to delegated authority from the Commission.

MAY

| File No. | Item |
|---------------|--|
| 2601 | National Bureau of Standards, Gaithersburg, Montgomery County, Maryland - Handicapped Access and Temporary Addition to Reactor Building (235)* (Commission action requested: approval of preliminary and final site and building plans pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |
| 2606 | Southeast Federal Center - Interim Development Plan, Phases II and III (landscaping and parking) (Commission action requested: approval of preliminary and final site development plans pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |
| 2483 | National Arboretum - Display of old east front columns of the U.S. Capitol and related landscaping (Commission action requested: approval of final site development plan pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |
| 0841 | General Services Administration - Notice of Availability of Excess Real Property - McMillan Reservoir Filter Plant, North Capitol Street and Michigan Avenue, NW. (Commission action requested: comments to General Services Administration) |
| 2446 | U.S. Postal Service, Franconia Post Office, Franconia, Fairfax County, Virginia (Commission action requested: approval of location and program pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |
| 2597 | U.S. Postal Service, Purcellville Post Office, Purcellville, Loudoun County, Virginia (Commission action requested: approval of location and program pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |
| 0664/ 1198 | Old Post Office and East Plaza Area, 11th and 12th Streets and Pennsylvania Avenue, NW. - Commemorative Tribute to Nancy Hanks (Commission action requested: approval of revised final building plan and final site development plan pursuant to Section 5 of the National Capital Planning Act of 1952, as amended, and D.C. Code, 1981 edition, sec. 5-432) |

*Eligible for action by the Executive Director pursuant to delegated authority from the Commission.

MAY

| File No. | Item |
|---------------------------|---|
| 2599 | International Center, Connecticut Avenue and Van Ness Street, NW. - Federal Office Building on Lot 9 (Commission action requested: approval of preliminary site and building plans pursuant to the International Center Act, Public Law 90-553, as amended by Public Law 97-186) |
| 1676 | Washington Convention Center, 9th and H Streets, NW. - Identification and Activity Signs (Commission action requested: approval of revised final site and building plans pursuant to Section 5(c) of the National Capital Planning Act of 1952, as amended, and D.C. Code, 1981 edition, sec. 5-432) |
| 2550 | District Building - Renovation and Addition (Commission action requested: approval of preliminary site and building plans pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |
| 2607 | District of Columbia - Acquisition of the Howard Theatre, 620 T Street, NW. (Commission action requested: approval pursuant to Section 5 of the National Capital Planning Act of 1952, as amended) |
| 2576 | Street and alley closing - G Street, NW., between Second Street and New Jersey Avenue (S.O. 84-251) (Commission action requested: comments to Council of the District of Columbia pursuant to D.C. Code, 1981 edition, sec. 7-422(3)) |
| Z.C. 85-7C | Office Building, Third and E Streets, NW. - application for consolidated Planned Unit Development for Lots 42, 853 and 854 in Square 568 (Commission action requested: comments to Zoning Commission pursuant to D.C. Code, 1981 edition, sec. 5-417) |
| Z.C. 85-13M/ 84-17C | Resources Conservation Center, 16th, 17th, O and P Streets, NW. - application for modification to an approved Planned Unit Development in Square 181 (Commission action requested: comments to Zoning Commission pursuant to D.C. Code, 1981 edition, sec. 5-417) |

MAY

| File No. | Item |
|---------------------------|--|
| Z.C. 85-16F/ 84-20P | Chevy Chase Pavilion, Wisconsin and Western Avenues, NW. - application for final stage Planned Unit Development and related map amendment in Square 1661 |

(Commission action requested: comments to Zoning Commission pursuant to D.C. Code, 1981 edition, sec. 5-417)

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| Z.C. 84-10 | Proposed amendments to the Zoning Regulations of the District of Columbia relating to antennas |
|---------------|--|

(Commission action requested: authorization to participate in public hearing before the Zoning Commission on May 19 and 29, 1986)

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|------|---|
| 2610 | Hendry Tract, 2411 North 24th Street, adjacent to the George Washington Memorial Parkway, Arlington County, Virginia - application for rezoning (Z-2303-86-3) and Use Permit and Site Plan Approval (U-2507-86-1) |
|------|---|

(Commission action requested: Federal interest comments to Arlington County Board and Planning Commission)

Information Item

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|------|---|
| 1275 | Impacts of Street and Alley Closings on Traffic Flow and Development, 1981-1986 |
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Presentation; no Commission action requested

MAY 29, 1986 MEETING

Action Items

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| 2608 | National Zoological Park - New Veterinary Hospital |
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(Commission action requested: approval of preliminary site and building plans pursuant to Section 5 of the National Capital Planning Act of 1952, as amended, and D.C. Code, 1981 edition, sec. 5-432)

| | |
|------|---|
| 2588 | Fort Myer, Arlington County, Virginia - Passenger Elevator Addition and related improvements to the Officers Club, Building 214 |
|------|---|

(Commission action requested: approval of preliminary site and building plans pursuant to Section 5 of the National Capital Planning Act of 1952, as amended)

MAY/JUNE

| <u>File No.</u> | <u>Item</u> |
|-----------------|-------------|
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| | |
|------|--|
| 2609 | Washington-Dulles International Airport, Fairfax and Loudoun Counties, Virginia - Budget Car Rental Facility |
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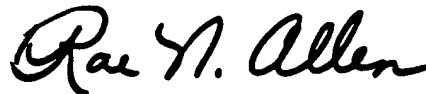
(Commission action requested: approval of preliminary site and building plans pursuant to Section 5 of the National Capital Planning Act of 1952, as amended)

JUNE 26, 1986 MEETING

Action Item

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|------|---|
| 1485 | Proposed Federal Capital Improvements Program for the National Capital Region, FY 1987-1991 |
|------|---|

(Commission action requested: adoption pursuant to Section 7(a) of the National Capital Planning Act of 1952, as amended)



Rae N. Allen
Secretary to the Commission

| ROUTING AND TRANSMITTAL SLIP | | Date |
|---|----------------------|------------------|
| | | 14 APR 86 |
| TO: (Name, office symbol, room number, building, Agency/Post) | Initials | Date |
| 1. CHIEF, NEW BUILDING PROJECT OFFICE / 01 | | |
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| 5. | | |
| Action | File | Note and Return |
| Approval | For Clearance | Per Conversation |
| As Requested | For Correction | Prepare Reply |
| Circulate XXX | For Your Information | See Me |
| Comment | Investigate | Signature |
| Coordination | Justify | |
| REMARKS | | |

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5041-102

* U.S.G.P.O. 1983 - 421-529/320

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206

Central Intelligence Agency



Washington, D.C. 20505

69 APR 1986

FILE 60-6

Northern Telecom, Incorporated
600 Maryland Avenue, S. W.
Suite 605-607
Washington, D.C. 20024-2520

Attention: Mr. Norman L. Dobyns
Vice President, Public Affairs

Dear Mr. Dobyns:

Reference is made to your letter, dated March 21, 1986, which requested that we have a meeting to discuss CIA policy on contracting with organizations subject to foreign ownership, control, or influence (FOCI). A review of our files indicates that there have been several meetings between representatives of your firm and CIA personnel on this matter.

I have reviewed the enclosure to your letter and would be happy to meet with you again to discuss the Agency's FOCI policy. However, I want to point out to you that the CIA's FOCI policy stems from the statutory authority of the Director of Central Intelligence to establish policies and procedures for protecting intelligence sources and methods from unauthorized disclosure under the National Security Act of 1947, and also from special contracting and funding expenditure authorities under the CIA Act of 1949. Therefore, there is little or no relevance between the statutes cited in the enclosure to your letter and the CIA's FOCI policy.

Please call me and we will schedule a meeting with you to discuss the matter in more detail. My telephone number is

STAT

STAT

Richard J. Kerr
Deputy Director
for
Administration

cc: D/OC
D/OIT
D/OS

OL 12026-86



SUBJECT: Letter to Northern Telecom, Inc., Attn: Mr. Dobyms

PD/OL, (31 March 1986)

STAT

Distribution:

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| Orig - Addressee | 1 - OL Files |
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| ROUTING AND TRANSMITTAL SLIP | | Date |
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| TO: (Name, office symbol, room number, building, Agency/Post) | Initials | Date |
| 1. DIRECTOR OF LOGISTICS | | |
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| Action | File | Note and Return |
| Approval | For Clearance | Per Conversation |
| As Requested | For Correction | Prepare Reply |
| Circulate | For Your Information | See Me |
| Comment | Investigate | Signature |
| Coordination | Justify | |

REMARKS

#1 - ACTION

PLEASE PROVIDE A RESPONSE FOR THE DDA'S
SIGNATURE.

SUSPENSE: 9 APRIL 1986

cc: D/OC
D/OIT
D/OS

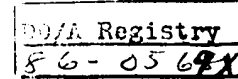
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* U.S.G.P.O.: 1963-421-529/320

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206



March 21, 1986

Mr. Richard Kerr
Deputy Director for Administration
Central Intelligence Agency
Washington, DC 20505

Dear Mr. Kerr:

Our Board Chairman, Mr. Edmund B. Fitzgerald, and I
would be most grateful for an opportunity to meet
with you at your convenience to discuss the attached.

Sincerely,

A handwritten signature in dark ink, appearing to read "Norman L. Dobyms".

Norman L. Dobyms
Vice President
Public Affairs

NLD/kch

Encls.

Edmund B. Fitzgerald
Chairman of the Board

With reference to our telephone conversation of this morning, Northern Telecom Inc. is a U.S. corporation headquartered in Nashville, Tennessee and was incorporated in the State of Delaware on September 16, 1971. Northern Telecom Inc. is a wholly-owned subsidiary of Northern Telecom Limited of Mississauga, Ontario, Canada. The United States statutes relating to organizations with varying degrees of foreign ownership are many in number and totally inconsistent. Amongst these statutes are:

- The Foreign Assistance Act of 1969
- Federal Communications Act of 1934
- Federal Aviation Act of 1958
- Armed Services Procurement Act of 1974
- Merchant Marine Act of 1920
- Atomic Energy Act of 1954
- Deep Seabed Hard Mineral Resources Act
- Export Trading Company Act of 1982
- Export Administration Act of 1979
- Federal Election Campaign Act
- Foreign Agent Registration Act
- Internal Revenue Act of 1954
- Mining Act of 1872
- Mineral Lands Leasing Act
- Geothermal Steam Act of 1970
- Foreign Corrupt Practices Act of 1977
- Securities Investor Protection Act of 1970

A review of all of the above Acts will reveal that there is great inconsistency in American statutes concerning what constitutes "foreign". It appears that the more recent statutes are becoming less restrictive, particularly with respect to those dealing with promoting and increasing exports.

The most restrictive statutes consider 20% foreign equity to constitute foreign ownership. I believe many people would be surprised if this test were applied to what are considered U.S. corporations. In other words, I am very confident that many very large U.S. corporations already have more than 20% foreign ownership. Additionally, since over 20% of Northern Telecom Limited shares are owned in the United States, if Canada had a similar 20% law, we would be then considered foreign in Canada also. A rather unique situation for a company that does 90% of its business in North America to be considered as a foreign corporation in its two major market bases.

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The Act that would seem to most closely apply to our sale of American-built digital switches to Nippon Telegraph and Telephone Corporation is the Export Administration Act whose purpose is to promote and increase the export of goods to foreign nations. This Act defines "U.S. persons" to mean;

....any United States resident or national (other than an individual resident outside the United States and employed by other than a United States person), any domestic concern (including any permanent domestic establishment of any foreign concern), and any foreign subsidiary or affiliate (including any permanent foreign establishment) of any domestic concern which is controlled in fact by such domestic concern as determined under regulations of the President.

Although this Act does not specifically require U.S. incorporation, it would appear from the use of the clause "including any permanent domestic establishment of any foreign corporation" that U.S. incorporation is required of a corporation in order to be considered a United States person. As noted before, Northern Telecom Inc. was incorporated in the State of Delaware on September 16, 1971. Thus we qualify as a "United States person" under the Act since it is a "permanent domestic establishment of a foreign concern" and is, therefore, subject to the Act.

I am enclosing a series of letters from the Secretary of Commerce, the Director of the National Security Council, the Secretary of State, the U. S. Trade Negotiator and others which under this interpretation have not only supported the export activities of Northern Telecom Inc. but have specifically encouraged us to seek the DMS-10 switching contract which we have just received from Nippon Telegraph and Telephone. You will note that similar support was given on a DMS-10 contract we were seeking in Korea but which was awarded to a foreign firm. Similarly, the Ex-Im Bank in Washington, DC has supported Northern Telecom export opportunities and the U.S. Department of Commerce International Trade Administration supports our export activities through their foreign commercial offices.

Additionally, you will find our news release of December 20, announcing the award of the seven year supply agreement to us by Nippon Telegraph and Telephone Corporation. The press release is incorrect in that it refers to NTT as the Nippon Telegraph and Telephone Public Corporation. This was the company's name when it was part of the Japanese Government. Now that it is a separate corporation it is simply the Nippon Telegraph and Telephone Corporation and a new press release is being reissued correcting this error.

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You will note that the release indicates that the award is to Northern Telecom Inc. of Nashville, Tennessee for the production of the DMS-10 Digital Switching System in Northern Telecom Inc.'s facility at Research Triangle Park, North Carolina. As I indicated to you previously, this is the only location Northern Telecom has in the world for the production of this digital switching system and all research and development, engineering and support efforts as well as the manufacturing is accomplished at Research Triangle Park. In that regard, I am further attaching another press release advising of a substantial increase in the size of our research and development facility in Research Triangle Park. When this new R&D facility is completed, it alone will employ 2,000 people and will involve an investment of over \$90 million. Almost all of the above material has been covered by me on a number of occasions including testimony before Congressional subcommittees.

In conclusion, I would like to quote as follows from the presentation which I made to Senator Danforth's Subcommittee on International Trade of the Senate Finance Committee on May 3, 1985 concerning his proposed Bill S.942.

"I am Edmund B. Fitzgerald, Chairman of Northern Telecom Inc. of Nashville, Tennessee and Chairman and Chief Executive Officer of Northern Telecom Limited of Mississauga, Ontario. I am an American citizen and maintain my principal residence in the United States.

I have been employed for nearly 40 years by U.S. high-technology companies and have been intimately involved with international trade and investment issues for at least the past 25 years. Prior to joining Northern Telecom five years ago as President of its U.S. subsidiary, Northern Telecom Inc., I served as Chairman of Cutler-Hammer, Inc. of Milwaukee, Wisconsin and subsequently as Vice Chairman of the Eaton Corporation of Cleveland, Ohio.

In the early 1970s, I spent three years as Vice Chairman of the Industry Advisory Council of the U.S. Department of Defense (IAC) and am currently a Member of President Reagan's National Security Telecommunications Advisory Committee (NSTAC). I am also Chairman of the U.S. Committee for Economic Development (CED) in Washington, DC and am a former President of the National Electrical Manufacturers Association (NEMA) in the United States.

In these days of heightened emotions regarding trade issues, the posture of Northern Telecom in the U.S. market has been often incorrectly characterized in presentations to the Congress, to the FCC, the Department of Commerce, the USTR and the U.S. International Trade Commission. Even though I covered this issue in my previous appearance before you, I would like to again review our U.S. posture for the sake of clarity.

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Northern Telecom Limited is a Canadian chartered corporation with 52% of our shares owned by Bell Canada Enterprises, Inc., a large Canadian holding company. Our shares not owned by BCE, Inc. are traded on public exchanges in Canada, the U.S. and Europe. Approximately 50% of our shares not owned by BCE, Inc. are owned by investors resident in the United States.

Northern Telecom, in practice, operates as a North American corporation with approximately 68% of its revenue produced in the U.S., 22% in Canada and 10% in non-North American markets. As noted previously, our U.S. company, Northern Telecom Inc. headquartered in Nashville, Tennessee is the second largest manufacturer of telecommunications equipment in the United States. It currently employs 22,000 people in 15 U.S. manufacturing facilities, 15 U.S. R&D centers and more than 100 U.S. sales, service and support offices. Its U.S. investment base is nearly \$2 billion and similar to its employment, continues to grow.

Northern Telecom is the largest supplier of fully digital switching systems in the world with almost 30 million lines either installed or on order. We believe that we were the largest supplier of both public (central office) and private (PBX) fully digital switching systems in the United States in 1984. Our U.S. value added in these systems is approximately 85%, which is almost the same level of local content achieved in the digital switching systems we produce in Canada for sale in Canada. The values not added domestically in either country represent components and subassemblies imported from about ten countries and is an indication of the global integration of the electronics manufacturing business today. I doubt that any other U.S. telecommunications supplier has a domestic value added significantly higher than Northern Telecom Inc. I might add that Northern Telecom Inc. exports approximately \$100 million of its output from its U.S. facilities.

In point of fact, the International Trade Commission, the U.S. Department of State, the Export-Import Bank, and the U.S. Commerce Department all regard Northern Telecom Inc. as a U.S. domestic equipment manufacturer.

Suffice it to say, Northern Telecom Inc. is a U.S. domestic manufacturer — the second largest manufacturer of telecommunications equipment in this country. We employ Americans, we pay taxes as Americans, we produce equipment for the American market and we well serve hundreds of American customers. We are a strong contributor to the American economy and to America's success in the telecommunications equipment industry. We are proud of our role as a U.S. corporation and as a good corporate citizen in the U.S."

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I hope you will find the above information and the attached documents to be of interest. I might add that in the case of the DMS-10, I believe that our domestic value added content is probably five to ten percentage points higher than our U.S. average of 85%. This is because this product was designed specifically for the American market and has never been manufactured any place but in Research Triangle Park, North Carolina.

Please let me know if I can provide any other information for you.

Sincerely,

A handwritten signature in dark ink, appearing to be 'Ed' or 'E. B. Fitzgerald'.

Edmund B. Fitzgerald

Enclosures

.

Northern Telecom
The Woodlawn Mansion
127 Woodmont Boulevard
Nashville, TN 37205

Edmund B. Fitzgerald
President & Chief Executive Officer

April 16, 1985

Mr. Harry Fitzwater
Deputy Director of Administration
Central Intelligence Agency
Washington, DC 20505

Dear Mr. Fitzwater,

Mr. Norman L. Dobyms and I very much appreciate being received in your office yesterday by you, [redacted]

[redacted] As you know, the purpose of our visit was to discuss the application of the CIA policy on "contracting with organizations subject to foreign ownership, control or influence" to potential business transactions between the CIA and Northern Telecom's wholly-owned U.S. subsidiary, Northern Telecom Inc. As discussed, Northern Telecom is at variance with the following aspects of the CIA FOCI policy.

- A. We have in excess of 5 % of non-U.S. ownership.
- B. Foreign nationals hold positions as Directors and Officers of the Corporation.
- C. More than 10 % of our gross income is derived from non-communist foreign countries, primarily Canada.

I believe it is appropriate to note that many other U.S. corporations are in violation of one or more of the above conditions, particularly condition "C", the generation of 10 % or more of gross income from non-communist foreign countries. I am encouraged that your policy includes a possible exception to its application "if there are sufficient and important reasons to find that the contract is in the best interest of the Agency and its mission".

The particular negotiation about which we were originally concerned has already transpired and you have chosen another vendor. It is not our intent to attempt to reopen that negotiation but to establish a more equitable base on which to proceed on future business opportunities at the CIA. Additionally, a number of the large defense and intelligence community contractors with whom we have current negotiations in progress have indicated to us that they have had a certain reluctance expressed to them by their intelligence agency customers about the purchase of Northern Telecom equipment. This is a very serious situation and can have a very broad ranging impact on our business opportunities.

Page 2

As I indicated to you, we are currently the largest supplier of digital public switching and private switching systems in the United States. We would be most unhappy to lose our position as market leader because a number of our largest potential customers were discouraged from doing business with us by the various intelligence agencies. I have already given you a tabulation of the many installations we have in the U.S. military and have further informed you that we are currently installing an SL-100 digital switch in the White House for use by the President and his staff.

Although I am fully aware of the rationale behind your policy, I must say I find the resulting impact on Northern Telecom hard to understand. I am an American citizen and currently hold and have held for many years high levels of security clearance. For three years I served as Vice Chairman of the Industry Advisory Council of the U.S. Department of Defense under Deputy Secretary Packard and currently serve as a member of the National Telecommunications Security Advisory Council to President Ronald Reagan. It is, therefore, very difficult for me to comprehend why the company of which I am the Chief Executive Officer cannot qualify for contracts from various U.S. intelligence agencies.

One suggestion I did make to you is that we establish what the Lockheed Corporation used to call "a skunk works". I would have this facility report directly to me and it would be entirely staffed by U.S. citizens with appropriate security clearances. Any work that we would do for you or the other intelligence agencies would be done completely within that facility with a complete assurance there would be no involvement by foreign personnel in these activities. I am sure that the Board of Directors of Northern Telecom Limited would authorize me to operate such a facility without any oversight by them or any other foreign national. This is also quite similar to the manner in which we operated during the time I was Chairman and Chief Executive Officer of Cutler-Hammer, Inc. which held some equally sensitive intelligence community contracts.

Although I am disappointed we were unable to bid on the former CIA procurement, I am much more concerned about future procurements and the spread of a procurement ban to other companies who are, in turn, serving the CIA. I am well aware of the difficulties which you face but I am also confident that this is a situation which can be addressed successfully. Since Northern Telecom is the largest producer of digital telecommunications equipment in the United States, there must be something that we do better than other people and, therefore, it seems to me it would be in the best interests of your agency and its mission to be able to include us as a potential supplier of your needs.

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I would be interested in any comments you might have to make and I would be more than happy to make a return visit to your offices if you believe such would be advisable. Again, many thanks for the audience and I sincerely hope we can find some manner to resolve this issue.

Sincerely,

A handwritten signature in black ink, reading "Edmund B. Fitzgerald". The signature is written in a cursive style with a large, stylized "E" at the beginning and a long, sweeping underline.

Edmund B. Fitzgerald